

GILAT SATELLITE NETWORKS LTD
Form 6-K
March 02, 2017

FORM 6 – K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report on Foreign Issuer

Pursuant to Rule 13a – 16 or 15d – 16
of the Securities Exchange Act of 1934

For the Month of March, 2017

Gilat Satellite Networks Ltd.
(Translation of Registrant's Name into English)

Gilat House, Yegia Kapayim Street
Daniv Park, Kiryat Arye, Petah Tikva, Israel
(Address of Principal Corporate Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A

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Attached hereto is Registrant's corporate presentation as posted on Registrant's website.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Gilat Satellite Networks Ltd.
(Registrant)

Dated March 2, 2017 By: /s/ Yael Shofar
Yael Shofar
General Counsel

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March 2017 NASDAQ, TASE: GILT Gilat Satellite Networks – Company OverviewA Worldwide Leader in Satellite Networking Technology, Solutions and Services

Forward Looking Statements Disclaimer Certain statements made in this presentation that are not historical are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995. The words "estimate", "project", "intend", "expect", "believe" and similar expressions are intended to identify forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties. Many factors could cause the actual results, performance or achievements of Gilat to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, changes in general economic and business conditions, inability to maintain market acceptance to Gilat's products, inability to obtain financing and/or timely develop and introduce new technologies, products and applications, rapid changes in the market for Gilat's products, loss of market share and pressure on prices resulting from competition, introduction of competing products by other companies, inability to manage growth and expansion, loss of key OEM partners, inability to attract and retain qualified personnel, inability to protect the Company's proprietary technology and risks associated with Gilat's international operations and its location in Israel. Gilat undertakes no obligation to update or revise any forward-looking statements for any reason. For additional information regarding these and other risks and uncertainties associated with Gilat's business, reference is made to Gilat's reports filed from time to time with the Securities and Exchange Commission.

Unaudited/Non-GAAP Financial Measures This presentation includes financial data that is not audited and financial data that was not prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP). Non-GAAP financial measures appearing in this presentation consist of GAAP financial measures adjusted to exclude, non cash share-based compensation expenses, impairment of goodwill and long lived assets, amortization of acquired intangible assets, restructuring and other non-recurring expenses and net income or loss from discontinued operations. Gilat believes these non-GAAP financial measures provide consistent and comparable measures to help investors understand Gilat's current and future operating performance. However, our non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures, and should be read in conjunction with Gilat's consolidated financial statements prepared in accordance with GAAP. Additionally, these non-GAAP financial measures may differ materially from the non-GAAP financial measures used by other companies. 2

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Gilat – Boundless Communications 3 Mobility Broadband Air Land Enterprise Consumer Cellular
Backhaul Sea Most Advanced Technology Terrestrial-grade User Experience End-to-End Service Most Stringent
Service Levels Global Presence 20 Sales Offices, Sales in 90 Countries Established 1987 NASDAQ / TASE: GILT
~1,100 employees

Global Presence with Diverse Customer Base & Partners 4 Satellite Companies Telcos / MNOs Enterprises Service Providers & ISPs System Integrators Governments

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Satellite Capacity Abundance is the New Reality – GEO + LEO/MEO Global HTS Bandwidth Supply, Demand and Price per Mbps 5 \$/Mbps/Month Gbps Source: Euroconsult, NSR, 2016 >10 times today Abundance of capacity unlocks new markets

At Work At Home Outdoors Affordable Internet Everywhere is Becoming a “Birth Right” 6 In the Air At
Sea On Land Our strategy is to enable ample Broadband, at terrestrial-grade user experience and affordably

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New Markets Open – On the Ground Satellite delivers quality broadband rapidly and affordably Cities, towns, villages, islands, ...4G/LTE for metro and metro edge, as well as rural areas Residential broadband Resilience and public safety Satellite delivers significant volumes, terrestrial-grade user experience and economies Jefferies: 860m subscribers “up for grab” from the top 15 emerging markets alone Aug. 2016 Macquarie Research: “This market ... require several hundred Tb of additional capacity” Aug. 2016 7 Aug. 2016

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Source: Euroconsult/NSR New Markets Open – In the Air Broadband connected aircraft takes off From ~5,300 connected commercial aircraft (satellite & ATG) in 2015 to 23,100 in 2025 From ~2,700 satellite connected aircraft (commercial & business) in 2015 to 21,000 in 2025* 8 High-end solutions for best user experience True broadband connectivity Streaming media and VOD at end user device Continuous connectivity Global coverage Satellite delivers significant volumes, terrestrial-grade user experience and economies

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*Source: NSR New In-Service Units 2015-2025 New Markets Open – At Sea 9 NSR: Maritime markets will be amongst the ‘core growth opportunities’ Accelerated market growth Passenger ships – Fastest growing market Merchant ships – Broadband adoption increasing Small boats – new market High-end broadband solutions for passengers and crew Broadband and video Crew internet and e-learning Vessel monitoring and video supervision Satellite delivers significant volumes, terrestrial-grade user experience and economies

The Components of Our Strategy for Profitable Growth TechnologyCutting Edge Innovative Hubs, Modems &
Antennas Improving MarginsWith the Right (Mix of) Customers and Territories ServicesEnd-to-end
Services and Recurring Revenue WellPositioned!

11 World's Fastest Broadband Modem for LTE Backhaul On the Ground

Metro Area – A Live Example 12 A Solution for Metro, Metro Edge, as well as Rural

13 Metro Area – A Live Example

Scorpio Reducing barrier to entry VSAT-in-a-box All-outdoor, Self install On the Ground

15 World's Fastest Aero Modem for In-Flight Connectivity 400Mbps In the Air

16 World's Most Advanced Ku/Ka Antenna For In-Flight Connectivity Highest Bit Rate Panel Antenna In the Air Major Aerospace Systems Integrator

Improving Margins Global Presence Mobility and Cellular Backhaul Offer the Opportunity for Better Margins

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Zoom In On Peru: FITEL Projects A \$2B+ Program to Build Optical Fiber and Microwave Backbone Networks in 21 regions: 8 Regional Projects awarded: 4 to Gilat 4 to others 13 Regional Projects more to be awarded 19 Overall we won 4 regions, ~\$400M ~\$230M Construction Revenue ~\$170M Operational Revenue over 10 Years Upside: Selling Services Over the Network for a Period of 10 Years

Peru Multi-Year Recurring Revenue Increases with every region ~13M Satellite Recurring Revenues in Manage
Service Growing to >\$30M after Construction Phase

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Gilat – Initial Achievements in the Last 12 Months Cellular Backhaul & Consumer BB LTE Backhaul Metro, Metro Edge and Rural Terrestrial-grade User Experience Mobility Fastest Airborne Modem 400Mbps Unique Airborne Antenna High-Speed Trains Connectivity Leading On-the-Move Antennas China Huge Potential - Baseband, Mobility (air, trains), not so much CBH The De Facto Provider of All New HTS Satellite Connectivity Working with CRRC to be Train Line Fit Rural Broadband Program to Provide Broadband Connectivity to all Non-Costal Peru

Financial Indicators and Analysis

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2017 Management Objectives (US\$ millions) Annual Revenues Adjusted EBITDA Revenues: \$280M - \$300M GAAP Operating Profit: \$4M - \$8M Adjusted EBITDA: \$20M - \$24M 23 GAAP Operating Profit

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Quarterly Profit and Loss Highlights (US\$ millions, except per share data) 24 * Adjustments reflect the effect of non-cash stock based compensation as per ASC 718, amortization of intangible assets related to shares acquisition transactions, impairments, restructuring costs, trade secrets litigation expenses and net income (loss) from discontinued operations. GAAP Q4 15 Q1 16 Q2 16 Q3 16 Q4 16 Revenues 67.7 52.7 67.9 78.6 80.3 Gross Profit 10.4 12.4 15.2 23.7 24.2 Gross Margin 15% 24% 22% 30% 30% R&D net 3.7 5.8 6.2 6.4 6.5 S&M 6.1 5.1 5.9 6.2 6.2 G&A 3.3 4.2 4.3 9.3 4.2 Restructuring & trade secrets litigation expenses 0.6 0.2 1.4 2.0 0.9 Operating income (loss) (3.4) (3.0) (2.5) (0.2) 6.5 Net income (loss) (5.2) (4.0) (3.7) (2.2) 4.5 Diluted EPS (0.12) (0.09) (0.07) (0.04) 0.08 Non-GAAP* Gross Margin 32% 26% 24% 32% 32% Operating Income (loss) 9.0 (1.2) 0.5 3.3 9.0 Net income (loss) 7.1 (2.2) (0.6) 1.4 7.0 Adjusted EBITDA 11.2 0.8 2.4 5.2 10.8

Yearly Revenue & Gross Margin per Segment 25 Revenues, Gross margin, Non GAAP Gross margin (“NG” when applicable)

Yearly Revenue by Region 26

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Balance Sheet Highlights (US\$ millions, except per share data) 27 December 31,2016 December 31,2015 Cash Balances¹ 111.6 120.9 Total Assets 383.2 370.8 Total Debt² 21.5 26.0 Shareholders' equity 209.8 178.1 1) Including cash and cash equivalents, restricted cash and net of short term bank credits.2) Includes long term loans and current maturities of long term loans

In Summary – Uniquely Positioned for Unlocking Opportunities Focusing on profitable growth Building a blue chip customer base Delivering both technology and solutions Offering terrestrial-like user experience Demand for affordable broadband, anywhere anytime, is soaring 28
